GREATER BOSSIER ECONOMIC
DEVELOPMENT FOUNDATION
BOSSIER CITY, LOUISIANA
DECEMBER 31, 2011 AND 2010

rder provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and where appropriate at the office of the parish clerk of court.

Release Date JUN 2 7 2012

#### **BOSSIER CITY, LOUISIANA**

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### HEARD, MCELROY, & VESTAL

#### CERTIFIED PUBLIC ACCOUNTANTS

333 Texas Street, Suite 1525 SHREVEPORE, LOUISIANA 71101 318-429-1525 PHONE 318-429-2070 FAX

June 8, 2012

To the Board of Directors Greater Bossier Economic Development Foundation Bossier City, Louisiana

#### Independent Auditor's Report

We have audited the accompanying statements of financial position of the Greater Bossier Economic Development Foundation (a nonprofit organization) as of December 31, 2011 and 2010, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the management of the Greater Bossier Economic Development Foundation. Our responsibility is to express an opinion on these financial statements based on our audits

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Greater Bossier Economic Development Foundation as of December 31, 2011 and 2010, and the changes in its net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America

In accordance with Government Auditing Standards, we have also issued a report dated June 8, 2012, on our consideration of Greater Bossier Economic Development Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Akard, Mª Elroy & Vestal, LCC

#### STATEMENTS OF FINANCIAL POSITION

#### **DECEMBER 31, 2011 AND 2010**

<u>ASSETS</u>	<u> 2011</u>	<u>2010</u>
Current assets		
Cash and cash equivalents	617,306	647,247
Investments-Note 3	<u> 549,811</u>	<u> 549,811</u>
Total current assets	1,167,117	1,197,058
Property and equipment, less accumulated depreciation of \$42,757 and \$36,439-Note 5	13,334	18,506
Other assets:		
Investment in Red River Bidco, Inc	100,000	100,000
Total assets	_1,280.451	<u>1.315.564</u>
<u>LIABILITIES</u>		
Current liabilities		
Payroll taxes	1,996	<u> </u>
Total liabilities	1,996	1,467
<u>NET ASSETS</u>		
Net assets.		
Unrestricted	<u> 1,278,455</u>	<u>1,314,097</u>
Total liabilities and net assets	_1.280.451	1,315,564

#### STATEMENTS OF ACTIVITIES

#### FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u> 2011</u>	<u>2010</u>
Revenue and other support:		
Dues	49,725	48,150
Riverboat revenue	430,883	447,848
Special projects	6,500	21,000
Investment income	5,887	7,491
Miscellaneous income	3,880	10,500
Total revenue and other support	496,875	534,989
Expenses		
Program services:		
Community support	221,053	187,100
Legislative expenses	6,000	6,000
Special projects	<u>11,348</u>	9,251
Total program services	238,401	202,351
Supporting services		
Salaries and benefits	200,896	191,651
Professional services	13,126	17,286
Marketing	19,135	15,925
Newsletter and promotion	2,691	3,313
Rent-Note 6	14,940	14,940
Office operations	36,193	34,807
Depreciation	6,318	6,894
Other	<u>817</u>	1,367
Total supporting services	<u>294,116</u>	286,183
Total expenses	<u>532,517</u>	488,534
Change in net assets	(35,642)	46,455
Net assets-beginning of year	1,314,097	1,267,642
Net assets-end of year	1.278.455	1,314.097

# GREATER BOSSIER ECONOMIC DEVELOPMENT FOUNDATION STATEMENTS OF CASH FLOWS

#### FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities.		
Change in net assets	(35,642)	46,455
Adjustments to reconcile change in net assets to net		
cash (used) provided by operating activities.		
Depreciation	6,318	6,894
Changes in operating assets and liabilities.		
Increase in payables	529	<u>113</u>
Net cash (used) provided by operating activities	(28,795)	53,462
Cash flows from investing activities		
Proceeds from redemption of certificate of deposit	-	85,000
Purchase of fixed assets	(1,146)	(2,234)
Net cash (used) provided by investing activities	(1,146)	82,766
Net (decrease) increase in cash	(29,941)	136,228
Cash at beginning of year	647,247	<u>511,019</u>
Cash at end of year	617.306	<u>647.247</u>

#### NOTES TO FINANCIAL STATEMENTS

#### **DECEMBER 31, 2011 AND 2010**

#### I Organization

The Greater Bossier Economic Development Foundation (the Foundation) is a Louisiana nonprofit corporation which has been in existence since 1979 as the economic development arm of the Bossier Chamber of Commerce On April 13, 2005, the Foundation was incorporated and exempt under Section 501(c)(6) of the Internal Revenue Code and became its own independent nonprofit entity. The activities currently provided by the Foundation include providing leadership and excellence in economic development for Bossier City, Louisiana

#### 2 Summary of Significant Accounting Policies

The significant accounting policies followed by the Foundation and the methods of applying those policies which materially affect the determination of financial position, changes in financial position, or changes in net assets are summarized below

#### Financial Statement Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets—unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the governing board.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that will be met either by actions of the Board of Directors and/or the passage of time. There are no temporarily restricted net assets at December 31, 2011 and 2010.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. There are no permanently restricted net assets at December 31, 2011 and 2010

#### **Contributions**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions

#### Promises to Give

Contributions that are unrestricted by the donor are recognized when the contribution is received. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

#### **Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### 2 Summary of Significant Accounting Policies (Continued)

#### Cash and Cash Equivalents

The Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of these financial instruments

#### Income Taxes

The Foundation is exempt from income taxes as an organization described in Section 501(c)(6) of the Internal Revenue Code The Foundation has been classified as an organization that is not a private foundation under Section 509(a) Accordingly, there is no provision for income taxes in these financial statements, however, the Foundation is required to file an annual information tax return

The Foundation is required to review various tax positions it has taken with respect to its exempt status and determining whether in fact it continues to qualify as a tax exempt entity. It must also consider whether it has nexus in jurisdictions in which it has income and whether a tax return is required in those jurisdictions. In addition, as a tax exempt entity, the Foundation must assess whether it has any tax positions associated with unrelated business income subject to income tax. The Foundation does not expect any of these tax positions to change significantly over the next twelve months. Any penalties related to late filing or other requirements would be recognized as penalties expense in the Foundation's accounting records.

The Foundation is required to file U.S. federal Form 990 for informational purposes. Its federal income tax returns for the tax years 2008 and beyond remain subject to examination by the Internal Revenue Service.

#### 3 Investments

Investments consist of certificates of deposit as follows

		<u> 2011</u>	<u>2010</u>
Business First Bank	0.50% maturing February 2, 2012	100,000	100,000
Citizens Bank & Trust	0 35% maturing July 14, 2012	100,000	100,000
Gibsland Bank & Trust	1 69% maturing January 26, 2012	90,000	90,000
First National Bank of			
Benton	0.50% maturing February 14, 2012	85,000	85,000
Red River Bank	0.25% maturing April 18, 2012	85,000	85,000
Regions Bank	0.150% maturing August 4, 2011	-	89,811
Home Federal Bank	1.00% maturing August 5, 2012	89,811	
		549.811	<u>549,811</u>

2011

2010

#### 4 Concentrations of Credit Risks

The Foundation maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2011 and 2010, the Foundation's uninsured cash balances totaled \$-0- and \$-0-, respectively.

#### 5. Fixed Assets

Fixed assets at December 31, 2011 and 2010 are summarized as follows

	<u>2011</u>	<u>2010</u>
Leasehold improvements	13,139	13,139
Furniture and fixtures	11,836	11,836

#### 5 Fixed Assets (Continued)

	<u>2011</u>	<u>2010</u>
Office equipment	<u> 31,116</u>	29,970
	56,091	54,945
Less-accumulated depreciation	<u>42,757</u>	<u>36,439</u>
Book value of fixed assets	<u> 13,334</u>	18,506

Depreciation expense was \$6,318 and \$6,894 for the years ended December 31, 2011 and 2010

#### 6 Operating Lease

The Foundation currently leases its present location from the Bossier Chamber of Commerce under a month-to-month lease. The expense incurred under this lease for the years ended December 31, 2011 and 2010 was \$14,940.

#### 7 Retirement Plan

Prior to August 2007, the Foundation participated in a 401(k) retirement plan which was a part of the Bossier Chamber of Commerce plan

Beginning in August 2007, the Foundation began a separate retirement plan of its own, a Simple IRA Under this plan, employees may contribute up to 6% to the plan, and the Foundation may contribute up to 3% The Foundation contributed \$4,524 and \$4,406 to the plan for the years ended December 31, 2011 and 2010, respectively.

#### 8 Subsequent Events

The Foundation has evaluated subsequent events through June 8, 2012, the date which the financial statements were available to be issued No reportable items were noted.

## HEARD, MCELROY, & VESTAL

#### CERTIFIED PUBLIC ACCOUNTANTS

333 TEXAS STRELT, SUITE 1525 SHREVEPORT, LOUISIANA 71101 318-429-1525 PHONE 318-429-2070 FAX

June 8, 2012

The Board of Directors Greater Bossier Economic Development Foundation Bossier City, Louisiana

> Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

We have audited the financial statements of Greater Bossier Economic Development Foundation as of and for the year ended December 31, 2011, and have issued our report thereon dated June 8, 2012 We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Greater Bossier Economic Development Foundation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Greater Bossier Economic Development Foundation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.



This report is intended solely for the information and use of the Board of Directors and Management of Greater Bossier Economic Development Foundation and is not intended to be and should not be used by anyone other than these specified parties

Heard, Mª Elroy : Vestal, LLC

#### SCHEDULE OF FINDINGS AND QUESTIONED COSTS

#### FOR THE YEAR ENDED DECEMBER 31, 2011

#### A. Summary of Audit Results

- 1 The auditor's report expresses an unqualified opinion on the basic financial statements of Greater Bossier Economic Development Foundation
- 2 No material weaknesses relating to the audit of the basic financial statements are reported
- 3 No instances of noncompliance material to the basic financial statements of Greater Bossier Economic Development Foundation were disclosed during the audit
- 4. Greater Bossier Economic Development Foundation was not subject to a Federal Single Audit for the year ended December 31, 2011

#### B. Findings - Financial Statement Audit

None

#### C. Findings and Questioned Costs - Major Federal Award Programs

Not applicable.

# GREATER BOSSIER ECONOMIC DEVELOPMENT FOUNDATION SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED DECEMBER 31, 2011

There were no findings and questioned costs from the prior year